Russell, both longtime chairmen of their respective armed services committees who also made historic contributions to national security. He certainly did them proud. In carrying on their tradition, he won the admiration of his colleagues on both sides of the aisle and achieved international recognition for helping secure peace and freedom throughout much of the world. And he did it his way—not with conflict and confrontation, but through the exercise of quiet strength, deep knowledge, and thoughtful statesmanship.

While he will be most prominently remembered for his work on defense and national security, Senator Nunn did much more. He helped restore fiscal responsibility and efficiency in federal government, fought for land conservation and the environment, attacked drug abuse, and promoted a spirit of citizenship and patriotism in our state and across the country.

Again, I rise in strong support of this measure and I urge all of my colleagues to do the same.

Mr. KIM. Mr. Speaker, I yield back the balance of my time.

Mr. TRAFICANT. Mr. Speaker, I rise in strong support of this bill, asking for an ''aye'' vote, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. KIM) that the House suspend the rules and pass the bill, H.R. 613, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: ''A bill to designate the Federal building located at 61 Forsyth Street SW., in Atlanta, Georgia, as the 'Sam Nunn Atlanta Federal Center'.''

A motion to reconsider was laid on the table.

Mr. KIM. Mr. Speaker, I ask unanimous consent that the Committee on Transportation and Infrastructure be discharged from further consideration of the Senate bill (S. 347) to designate the Federal building located at 100 Alabama Street NW, in Atlanta, Georgia, as the ''Sam Nunn Federal Center'' and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF SAM NUNN FEDERAL CENTER.

The Federal building located at 100 Alabama Street NW, in Atlanta, Georgia, shall be known and designated as the ''Sam Nunn Federal Center''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the ''Sam Nunn Federal Center''.

MOTION OFFERED BY MR. KIM

Mr. KIM. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. KIM moves to strike all after the enacting clause of the Senate bill, S. 347, and insert in lieu thereof the text of H.R. 613, as passed the House.

Motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: ''A bill to designate the Federal building located at 61 Forsyth Street SW., in Atlanta, Georgia, as the 'Sam Nunn Atlanta Federal Center'.''

A motion to reconsider was laid on the table.

A similar House bill (H.R. 613) was laid on the table.

GENERAL LEAVE

Mr. KIM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous materials on H.R. 613 and S. 347, the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

☐ 1530

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. SNOWBARGER). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Washington, D.C. (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

(Mrs. MINK of Hawaii addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

(Mr. METCALF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. KINGSTON) is recognized for 5 minutes.

(Mr. KINGSTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. EDWARDS) is recognized for 5 minutes.

(Mr. EDWARDS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. BROWN) is recognized for 5 minutes.

(Ms. BROWN of Florida addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE FEDERAL BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin (Mr. NEUMANN) is recognized for 60 minutes as the designee of the majority leader.

Mr. NEUMANN. Mr. Speaker, today CBO or the Congressional Budget Office, the agency that is responsible for tracking revenues and expenditures of the United States Government on behalf of the House of Representatives and the Senate, released a new set of estimates. And it does verify that for the first time since 1969, we are going to have a surplus in fiscal year 1998. This is great news for America. The first time since 1969, I was a sophomore in high school, the United States Government spent less money than what they had in their checkbook.

To me when I came here 3 years ago, this was deemed an impossible dream. When we said we were going to balance the budget by the year 2002, people looked at us, yawned and basically said, we do not believe you, because they had made so many broken promises in the past. Today we stand here with final documentation and verification that in fact the budget is not only balanced, but we are running a surplus.

CBO, the scoring agency or the agency responsible for making predictions here in Washington, is suggesting that we have about a 5, maybe a $10 billion surplus. I would like to go a step further than that. I believe the surplus is much more significant than that. I believe that we will run a surplus in fiscal year 1998 in excess of $25 billion.

I think it is worth talking about where we are from a budgetary point of view, where we are going to and especially how Social Security fits into this overall picture because I have just spent days in Wisconsin where we were in about eight or nine different cities, and everyplace I went, the Social Security issue came up.

So I would like to begin with where we are today and how we got here. Then I would like to look at what we can do in the near future, and then I would like to look at the bigger picture of where we are going to.

I would like to start today by just taking a look at how fast and how rapidly the Federal debt facing our Nation has grown. What I have in this chart is I have a picture of the growing debt facing the United States of America. It can be seen that before 1980, the growth in this debt was pretty minimal. As a matter of fact, it is not quite a flat line, but it did not grow very much between 1960 and 1980. But from 1980 forward, the growth of the Federal debt is very, very substantial.

As a matter of fact, when I left the private sector, I had never been in office before, when I left the private sector, we were about here on this chart. I realized that if this growth pattern of Federal debt was not stopped, that our children did not have a very bright future in this great country we live in. So that is really the primary reason for leaving the private sector and coming in, was to change this picture.

Here today, if we had said a while ago that this was going to flatten out and it was going to steady out here and actually start coming back down because we are running a surplus, people would not have believed us. As recently as 3 years ago, when we looked at 1980, at the point at which the debt started growing dramatically in this country, all the Democrats blamed Ronald Reagan and all the Republicans blamed the Democrats for not being able to control spending.

Again, I would like to point out that the fact of matter is that we are here on this chart. It is not a Republican problem. It is not a Democrat problem. It is an American problem. The only way we can solve this problem is if we as Americans step forward and put forth solutions to the problems. That is what our last 3 years here in Washington have been all about.

For Members that have not seen how large this debt is, I would like to point out the number. We are $5.5 trillion in debt today. Translation: If we divide the debt by the number of people in the United States of America, the United States Government has literally borrowed $20,400 on behalf of every man, woman and child in the United States of America, or for a family of five like mine the United States Government has borrowed $102,000.

The real kicker in this picture is down here on the bottom line. This is real debt. Just like any other debt in the United States of America, interest is being paid on this debt. In fact, for a family of five like mine, I have got three kids and a wife at home, for a family of five like mine, we are paying $580 a month every month to do absolutely nothing but pay interest on the Federal debt.

When we think about a family earning $40,000 to $50,000 a year from Wisconsin or anywhere else in the great country that we live, when we think about that family being required to send in 580 bucks a month, an average family of five, to do absolutely nothing but pay interest on the Federal debt, it is a pretty staggering number. The amazing thing is people do not even realize they are paying all this money in. One dollar out of every six that the United States Government does absolutely nothing but pay interest on this Federal debt. One dollar out of every six the United States Government spends does nothing but pay interest on this debt.

When a family does something as simple as buy a pair of shoes for the kids and the family, they go into that store and they buy the pair of shoes. The store owner makes a profit on the sale of that pair of shoes to the kids, and when the store owner makes a profit on the sale of that pair of shoes, part of that profit gets sent to Washington, and of course what it does is nothing but pay interest on the Federal debt.

I emphasize that one dollar out of every six that the United States Government spends today goes to pay interest on the Federal debt. Let me put that a different way so it makes a little more sense. One dollar out of every six that the United States Government collects in tax revenue from our working families all across America, one dollar out of every six does absolutely nothing but pay interest on that Federal debt.

I think the question begs asking, how in the world did we get to this kind of a situation, where we are $5.5 trillion in debt, $20,400 for every man, woman and child and to a point where a family of five in America pays $580 a month to do nothing but pay interest on the Federal debt?

When we look back at this picture how we got here, I have a picture here of the Gramm-Rudman-Hollings Act, and most folks remember either the Gramm-Rudman-Hollings of 1985 or maybe the one of 1987, or maybe they remember the 1990 budget deal. When we look back in the past and how we got into this mess, time after time the people that were in Washington promised they were going to get to a balanced budget. This blue line on the chart shows the Gramm-Rudman-Hollings promise of 1987, but the one for 1985 is the same thing. They had a blue line that said they were going to balance the budget. 1987 is the one I have shown. The 1990 budget deal. They are all the same. This red line shows you what actually happened to the deficit.

The American people got very cynical looking at this picture time and time and time and time again. They had been promised a balanced budget, and it was not delivered by Washington, D.C. and by our government. So in 1994, the people looked at this picture and they said, we are really fed up with these broken promises. We need a change in Washington, D.C. 1993 was the year we had the biggest tax increase in American history. It was the year they looked at this picture and said, the only way we can solve this big deficit that remains out there, in 1993–1994, it was still $350 billion of deficit, that is, the government was spending $350 billion more than it took in, they looked at this picture and said, we know how to solve that. Let us go to the American worker. Let us take more money out of their pocket. That way we can maintain Washington spending, and while we maintain Washington spending, of course we will just collect more tax dollars from the American people. That was the 1993 solution. So it was the broken promises that led to 1993. That was the 1993 solution of raising taxes to solve this problem.

What we found out in 1993, what I knew all along because I was in the private sector working our tail end off, when we were in the private sector we did not want government to take more money from the people to balance the budget. That is not what we wanted. What we wanted was government to control their own appetite for spending, to reduce the size of Washington and lead us to a balanced budget, not by higher taxes, but by less Washington spending.

So in 1993, the people saw this picture. They survived the tax increase, 4.3 cents a gallon for gasoline. It was not even spent to build roads. It was put into social welfare programs, Social Security tax increase, marginal tax bracket increases. The taxes went up on virtually every American citizen in that 1993 tax increase.

So what did the American people do? This is America and a great country. The people in this country had the opportunity to change that, and they did in the 1994 elections. In the 1994 elections they saw their way clear to put Republicans in charge of the House of Representatives and the Senate for the first time in a long, long time, 40 years to be exact. Now we are 3 years into this changed group of people in charge of Washington or our government.

I think the American people ought to be asking the question, is there really any difference, or are these people the same, and are they breaking their promises like before? I would like to answer that question. When we got here in 1995, we laid out a plan again to balance the budget. We said we were going to get there by the year 2002. I have to be honest with my colleagues, what the people said, they yawned and they said, yes, sure. We will believe it when we see it. The time has come to believe it. We not only got the job done by 2002 as promised, we have actually hit our first balanced budget since 1969, 4 years ahead of schedule. We not only got the job done, I think it is very important in the picture form to see that the red line is now below the blue line; that is, we are outperforming what we said we would do as opposed to what happened before we got here.

It is a very, very different picture in Washington, D.C. Let me emphasize this once more. For the first time since 1969, for the last 12 months running, the United States Government spent less money than they had in their checkbook. This is a monumental accomplishment, and it has been done in 3 short years, well ahead of schedule, of what was initially promised in 1995 when we got here.

An interesting thing happens, when I am out in Wisconsin at a town hall meeting talking to our constituents about this. What happens is they go, hey, MARK, the economy is so strong, you politicians are taking credit and you couldn't have messed it up if you tried. The facts are the economy is very strong. Lots of extra revenue is coming into the United States Government because hard-working American families are busting their tail ends and being successful out there in the private sector, and of course the more income that they earn for their family, they send extra tax revenue to Washington. That is true, there is no question about it.

But that is not the end of the story, because between 1969 and today, there have been other time periods in this government where the economy was strong and extra revenue came in. And every time in the past when Washington got their hands on more revenue, they figured out exactly what to do. They spent it. And that is the difference.

I brought a picture here to help see that a little easier and clearer. In the past, every time the economy got strong and extra revenues started coming in, in the past every time that happened, Washington just spent more money so that we still did not balance the budget. That is why the budget has not been balanced since 1969.

This government was different. The people that came here and were put in charge in 1995 were different. NEWT GINGRICH, JOHN KASICH, some of the others that were here deserve a lot of credit for this picture; BOB LIVINGSTON, to mention another name. Before we got here, growth in spending and this red column shows you how fast spending was going up before we got here in 1995. In the face of this very strong economy with extra revenue coming in, the spending growth rate was reduced to 3.2 percent in our first 3 years. So you see in the face of this strong economy sending extra revenue to Washington, instead of increasing the growth rate of spending, this government saw fit to decrease the growth rate of spending.

It is a combination of the strong economy coupled with the reduced growth rate of Washington spending that has put us in the position where we have actually balanced the budget for the first time in 30 years. And we have done its 4 years ahead of schedule.

□ 1545

It is this distance from here to here that has put us in this wonderful position where the budget is, in fact, balanced for the first time in 30 years and a tax cut has been provided for the first time in 16 years.

And I would just mention that a lot of folks say, well, we should not want to be cutting taxes until we get the debt paid off. We should not be cutting taxes, but then they put in a ''because.'' I want to point out that the tax cut came about because instead of this blue column being way up here, the spending growth rate being the same as it was before we got here, by bringing that growth rate down to here, it provided money available to reduce taxes on working families all across America.

And does a tax cut matter? Sometimes I get out there and people start complaining that the tax code is so complicated they do not even understand the tax cut. Let me just walk through a couple of things that are very real to the folks in my district and to the folks all across America.

Let me start with the $400 per child. And, remember, when we talk about this $400 per child, it is less Washington, as seen in this picture. This distance from where this red column was, down to here, is less Washington, so these families can keep more of their own money in their own home.

A family with three kids, three kids under the age of 17 from Wisconsin, earning $50,000 a year in that family. Sounds like a lot of money? Well, $50,000 a year and three kids is not a lot of money. It goes very fast. That family, under the tax cut package that was passed last year, will keep $1,200 more in their own home instead of sending it out to Washington. Twelve hundred dollars is $400 per child more in the home instead of being sent to Washington.

I always ask the question out there, too, and I show this kind of chart and I say, look, we could have done more here in Washington. We could have spent more money and kept this blue column up here even with the red column so the spending growing was the same as it was before we got here. We could have done more in Washington. We chose instead to let families keep more of their own money. Then I ask if we had spent more in Washington, instead of doing the tax cut package for the families, 550,000 in Wisconsin alone get to keep more of their own money, if we spent more in Washington, would we do a better job in Washington of spending those families' money than the families would themselves? There is not a single person anywhere we have seen so far that would be willing to stand up and say the United States Government in Washington can do a better job spending those families' money than the families can.

I will give another example of a family from Wisconsin we had at a town hall meeting. They have one in college, a freshman in college, and they have two kids under the age of 17 still at home. For that family, under the tax cut package, and they are a middle-income family; they did not tell me exactly, but between 40,000 and 60,000 a year. That family with three kids at home, one in college, a freshman, and two kids under the age of 17 still at home, when they get a $400 credit on the bottom line for each of the kids still at home, that is $800 for the two kids.

And they get a $1,500 assist for the college tuition. Because in a middle-income family in America today, sending a child off to college is very, very expensive. So the tax cut package contained a provision that if a family has a child that is a freshman or sophomore in college, they can subtract $1,500 off of what they would have sent to Washington and keep it in their own home to help pay that college tuition.

So for this family of five that we are talking about, two kids at home under the age of 17, and a freshman in college, this family of five is going to keep $2,300 more in their home this year rather than send it to Washington. And again, when we ask a family like this do they really think Washington could have spent that money better than they can; do they think Washington could make better decisions on how to spend that money or do they think they can make those decisions themselves, we have not found anybody in Wisconsin that is willing to stand up and say send the money to Washington; we do not think we pay enough taxes, and Washington knows best how to spend it better than we do. That just does not make sense in Wisconsin, and I do not believe it does anywhere in this country.

So I am happy to be here to talk about the things we have accomplished. When we look to the past and see the broken promises of Gramm–Rudman-Hollings, promises repeatedly of a balanced budget that did not occur, and then we look to the past where they raised taxes to try to solve this problem, like in 1993, and then we compare that to the present, where for the first time in 30 years we are actually spending less money than we have in our checkbook, this is really great news. The first time in 16 years taxes are coming down.

Capital gains we did not mention before, but for those people investing in stocks and bonds and mutual funds all over America, and by the way I hope they make a profit, because that is what investment is all about. It is not evil and rotten to invest in a stock or a bond or a mutual fund and make a profit. That is not bad, that is good. And when they make the profit, the capital gains tax rate has been reduced from 28 down to 20. And if they are in the lower income bracket, the rate has been reduced from 15 down to 10.

So this idea of looking into the past and seeing the broken promises and the higher taxes and understanding something different is going on in Washington today, I think that is a very important idea as we look at the changes that have occurred out here since 1995.

So we have what is called a balanced budget. We have taxes coming down. I think we have to ask ourselves what next. And I think to answer that question we need to describe, and this is not going to be quite as positive from here on out, I think we need to keep it in perspective. This is very positive thus far, and actually balancing the budget 4 years ahead of schedule by Washington definition, that is good. And the definition they are using here in Washington is the same as it was all the way back to 1969. But we still have some problems, and as we look to the future we will have to address those problems.

To explain this, I want to start by defining exactly what is meant by a balanced budget in Washington, D.C. Let me preface this by saying I am a home builder and we had a home building company. And we had employees working with us in that company. And my definition of a balanced budget in my home building company would be very different than Washington's definition of a balanced budget.

But having said that, let me define what Washington calls a balanced budget. Washington says their budget is balanced when the dollars collected in taxes equal the dollars sent out in checks. So if we look at all the dollars coming into Washington, the dollars in equals the dollars out. That is Washington, or the government's, definition of a balanced budget.

Now, on the surface that makes a pretty good amount of sense, but I want to get beneath the surface and look at what is actually going on when we talk about this balanced budget. And let this not take any credit away from reaching this point after 3 short years, but let us recognize we still have a very serious problem facing our country.

The reason it is important to understand that is because Social Security plays into this picture dramatically. In the Social Security system, which is part of those dollars in and it is part of those dollars out, what is going on in Social Security today is the Social Security system is collecting $480 billion out of the paychecks of workers all across America.

So when we look at our pay stubs and see there has been money taken out for Social Security, if we add up all the money coming in for Social Security, it is $480 billion. If we look at the money being paid back out to senior citizens in benefits, so we have 480 coming in, the amount going back out to senior citizens in benefits is $382 billion.

The difference, the surplus, is $98 billion if we are looking at just the Social Security system. And again this is very important. It is pretty easy to understand. If this was our checkbook at home and we are sitting down to do our bills, and we had $480 in our checkbook and we wrote out a check for $382, we would in fact have $98 left in our checkbook. That is Social Security today. It is collecting $480 billion, paying $382 out, and there is $98 billion left.

Now, just as many people out there in America might be saving this $98 or $98 billion, in the case of the Social Security trust fund, for when they reach retirement, so that when they do not have enough money coming in they can go to that account that they have been building and saving over a period of time and get money out in order to still pay their bills, that is how American families do this all across our country. Social Security is supposed to work the same way.

We know in the not too distant future that, when the baby boom generation gets to retirement, this number of dollars coming in as compared to the number of dollars going out is going to turn around and the dollars coming in is not going to be enough to pay the dollars going out. That is when the problem hits in Social Security.

Now, in Washington and in many government agencies, they have misled our seniors into believing this does not happen until the year 2029. That is absolutely not true. The amount of dollars coming in versus the number of dollars going out turns around in the year 2012 and perhaps sooner. So what we are really saying here is that the shortfall occurs in Social Security in the year 2012.

Now, the reason they talk about 2029 as opposed to 2012 is they assume between 2012 and 2029 that they can get their hands on this money that is supposed to be in the savings account. Just like in our families when we run short, we go to the savings account, get the money and put it into our checkbook and make good on our checks.

So once more through this. Today there is 480 coming in, there is 382 going out, there is 98 supposed to go into a savings account. Between now and 2012 these two numbers turn around and there is not enough money coming in, too much going out, and we have to be able to get our hands on that money in the savings account.

Now, I find when I am out in my district and I ask the next question, with $98 billion extra coming into Social Security, what do you suppose the United States Government does with that $98 billion? I find that the people in my district generally say they spend it. And the people in my district are absolutely correct.

The $98 billion that has been taken in for Social Security goes into, think of this as the big government checkbook or the general fund. They then spend all the money out of the general fund and, at the end of the year, we have actually been running deficits since 1969. So after that $98 billion comes in and they write all the checks out of the general fund, there is no money left to put down here in the Social Security trust fund. So what they do is put an IOU in the Social Security trust fund instead.

Now, it is important to understand that when Washington says they are balancing the budget, what they mean is that this circle right here is balanced. They mean that after the $98 billion has been put into the checkbook and then all the checks have been written out, that the remaining balance is zero. That is a balanced budget in Washington. The problem with that is there is still no money being put into the Social Security trust fund.

Now, in my business, in the home building business, if this would have been the pension fund, we absolutely could not have gotten away with this. It would have been illegal and we would have been arrested for doing this. But in Washington that is the way this program is set up.

I want to be specific on this, and please do not shoot the messenger. We are trying to solve this problem. In some groups I am with in Wisconsin, I almost feel like I am going to get shot when I tell them about what is going on. It is important to understand that what is going on down here is an IOU. It is a nonnegotiable, nonmarketable Treasury bond.

The significance of nonnegotiable-nonmarketable is that when those two numbers that we just had up here turn around and there is not enough money coming in for Social Security, we cannot take what is in this account and sell it and get the money we need, or we cannot go to our savings account and get the money out.

Now, in this town it is great. People run around and they say those IOUs are backed by the full faith and credit of the United States Government, so why should I question the value of those IOUs in the Social Security trust fund. I always ask the next question. They are backed by the full faith and credit of the United States Government, so when we need the money in 2012 or sooner, where is the United States Government going to get that money from to make good on those IOUs?

That is when the lights begin to dawn and they see how serious the problem is, because when we need that money in 2012 and perhaps sooner, and the United States Government has to make good on those IOUs, there is only a very limited number of things that can happen. One is they could raise taxes on our children and our grandchildren. I do not find that very inviting. I think the tax rate is too high as it stands.

The second thing they could do is put off the date when those IOUs come due. And of course that could be done by changing benefits to our senior citizens. I do not find that very desirable.

So if we do not raise taxes and we do not put off the date the IOUs come due, what is the other option? The other option really is to go into the private sector and start borrowing money out.

And when we start talking about that picture, we are right back to this chart I started with.

I do not know of any American citizen that is going to suggest that the right solution to the Social Security problem is to recreate this climbing debt chart that has been given to us over the last 15 to 20 years. I do not know of any American citizen that would contend that this is the right thing to do as we look to the future of this great Nation.

So the question should be asked: What are we doing about it? In our office we have introduced a piece of legislation, it is called the Social Security Preservation Act. It is bill number H.R. 857. And this may seem pretty obvious to most people in America. I notice when I am in Wisconsin, it seems to be an obvious solution. We simply take that $98 billion that is coming in extra for Social Security and we put it immediately into the Social Security trust fund. We do that by buying Treasury bonds, the same kind of thing that any senior citizen could buy at any bank in the United States of America.

The advantage of doing it this way: Number one, we start reporting honestly what is going on in the budget process, because the money now does not get into the big government checkbook, or the general fund. And number two, when those numbers turn around and there is not enough money coming in and we have to make good on those IOUs, we will now have an asset in this trust fund, much like a savings account, that could simply be sold to generate the money we need to make good on the Social Security payments to seniors.

So, again, the solution to this problem, and I am happy to say there are Democrats and Republicans both supporting this bill, it is H.R. 857, it is called the Social Security Preservation Act. I would encourage my colleagues that have not joined with us yet to join us on this bill as soon as possible so that we get the support necessary to bring this bill to the floor of the House.

If this bill is passed, Social Security becomes solvent for our senior citizens all the way to the year 2029. Now, I might say after 2029 there is still a problem, but at least between now and 2029, Social Security would once again be solvent for our senior citizens.

☐ 1600

As we look at this picture, then, I think it is reasonable to ask, we have got this balanced budget, at least on balance by the definition that has been used by the government over the last 30 years, where are we at and where are we going as a Nation in the future?

I think the first thing we need to recognize and do to solve the Social Security problem is our bill, H.R. 857, the Social Security Preservation Act. But there are other problems still facing our country.

One of the problems as I see it is taxes are too high. I have been having fun with this in Wisconsin. I ask the question repeatedly, ''Is there anyone in the room who thinks taxes are too low?'' To their credit, no one has raised their hand and said, ''Yes, I think taxes are too low. Raise taxes, please.''

So I think when we look at the problems that are still facing us as a Nation, taxes are too high, the Social Security Trust Fund needs to be restored, and we still have that $5.5 trillion debt hanging out there over our heads. To solve these problems we have introduced a second piece of legislation. It is called the National Debt Repayment Act.

As it relates to Social Security, let us remember that even if we start putting away the cash from this year, we still have this $700 billion that is supposed to be in this, counted already, that is IOUs. So when we start talking about this $5.5 trillion debt, part of it is that money that has been taken out of Social Security over the last 15 to 20 years.

In the National Debt Repayment Act, what we do is look at any surpluses coming into the United States Government. We allocate two-thirds of those surpluses to debt repayment, specifically restoring the Social Security Trust Fund. So two-thirds of it goes to debt repayment, including Social Security and prioritizing Social Security. The other one-third is dedicated to reducing taxes on working families all across America.

We are here in the present now, we have our first balanced budget in nearly 30 years. As we look down the road and think about these problems that are still staring us in the face, a $5.5 trillion debt, the Social Security Trust Fund, taxes are too high, it seems to me to make sense that what we do is dedicate two-thirds of our surpluses to debt repayment, prioritizing Social Security, so we pay off the Social Security notes, that is $700 billion that belongs there, and we dedicate the other one-third to the tax rate.

Let me just say on the tax rate, because I think this is very important, today we have a 37 percent tax burden on our working families. If you take all the taxes paid in in this country, take the State taxes, the property taxes, the local taxes, the sales taxes and the government taxes, Washington government taxes, the tax burden on our families today is 37 percent. Back in 1955 it was about 25 percent.

The outcome of that is seen all through our society. Because the tax rates are so much higher than they used to be, we find that our families that would like to make decisions to allow one parent to stay at home or one of the spouses to stay at home and raise the children are forced into the workplace because the tax rate is so high, and they wind up actually working just to pay more taxes. I understand that in a lot of families both spouses want to work for whatever reason. They may want to work because they want a better life-style, and that is fine. But what is wrong with that picture is that when they start doing it simply so they can pay the extra tax burden so the government can get bigger and bigger and bigger, that is what is wrong with the picture.

As we look ahead to the future, the concept of reducing the tax burden, as I know Speaker GINGRICH has called for, from the 37 percent back to a 25 percent, I would like to again lay this out as part of our vision for the future as we look forward in this country. Would it not be great if we could get to a point where the tax burden on families was again reduced to 25 percent or maybe even lower? Would it not be great if we could have a one-third reduction in the tax burden?

What we are really saying here is that in the future the government might do less and we might leave more money in the pockets of people, and then if the people still want some of those extra services, they can make the decision that with the extra money in their pocket, they go out and buy it. But the concept is that government is less involved in the lives of the American people and the people get to keep more of the money that they have earned.

I might add that that is just one of the problems that we face here in Washington. It seems to me sometimes we forget that the money we are talking about out here, it is not our money here in Washington. That money belongs to the hardworking Americans who have earned that money, and it ought to be treated in that way and with that respect.

I would like to just address a little bit more on the tax cut package that has already been passed. I know I am kind of jumping out of this vision for the future and back into the present, but I would like to do this because I find in Wisconsin that when I talk with folks, a lot of them do not understand that a tax bill has been passed. I would just like to run through just a few of the provisions that are in this tax cut package because folks generally do not understand that this bill is already passed.

What happens, I find when I am there, is they kind of look at me almost as a politician, and that scares me because I am a home builder and a math teacher and not a politician. They start looking like, ''You are making us these promises, but are you really going to do any of this?''

The fact is the tax cut package is passed into law, it is done, it is on the books and it should be reflected in your current taxable income. Let me just start with the $400 per child tax credit. I described this briefly before. Starting this year, for every child under the age of 17 with certain income limits, for moderate-income Americans, for every child under the age of 17, when you figure out your taxes next year and you get down to the bottom line, how much you would have sent to the United States Government, you subtract $400 off the bottom line.

If you have got a college student, a freshman or a sophomore, again you figure out how much you would have sent to Washington, but if that freshman or sophomore has spent more than $2,000 on room, board, books and tuition, you subtract $1,500 off the bottom line. For juniors, seniors, grad students, et cetera, you subtract $1,000 or up to $1,000 off the bottom line.

For homeowners in America, and this is a very dramatic change in the Tax Code, if you have lived in your house for 2 years or more and you sell it, there are no Federal taxes due. When we think about our senior citizens and the benefit to our senior citizens of this Tax Code change, it is very, very dramatic.

Many seniors took the old one-time 55 exclusion, sold the bigger home that they raised their children in, bought a smaller home and are now ready for whatever reason to go to some sort of different home, either a nursing home or some sort of skilled care facility. They are now selling this home, and they took that one-time exclusion back when they were 55 and there would be a gain, at least I hope there is a gain on the house they have owned in the interim period. There are no longer any Federal taxes due on the sale of that home.

Medicare, another dramatic change under the Tax Code and the revisions that were written last year for senior citizens. When I took office in 1995, Medicare was headed to bankruptcy. The fix for Medicare in the past was always to go out to the American people and raise taxes. Our government in their wisdom was treating senior citizens in exactly the wrong way in solving the problem of Medicare by simply throwing more money at it. What we needed to do is what has been done in the last 3 years: sit down, look at the situation and see if there was not maybe a better way to do the same thing.

Let me give one example of how this improvement took place. Diabetes is a major problem for seniors. What the government did in their wisdom is, they waited until some sort of a complication developed in diabetes. They would not pay for screening. What they did is waited until something dramatic happened to a senior, whether it was a heart problem or an amputation or eye problems or any of the other negative outcomes from diabetes. Many of these things were treatable if they were caught earlier.

What the government was doing in Medicare was saying, we are not going to pay for screening diabetes that is destroying your life, but if you get good and sick and you need a good and expensive procedure, then we will help you pay for it through Medicare. It is not only the right thing to do for the health and the well-being of our senior citizens, to do the advanced screening, it is also much more cost effective to find the problem early and treat it early so the senior citizen can live a healthier life. Of course that eliminates the high cost burden on the Medicare system.

So instead of just throwing more money at Medicare and leaving the system the way it was, we looked at what was going on and looked for better ways to spend the same money that was being spent. In the diabetes situation alone they are saying as much as $14 billion a year will be saved, and again, let us not transform this into Medicare cuts. By providing our seniors with the opportunity to live a healthier life by this advanced screening for diabetes alone, we are talking about a $14 billion a year change in the cost of Medicare to the United States Government.

That is not all, though. There are also things like screening for breast cancer, colon cancer, a wide variety of other preventive care was very similar to what I just described with diabetes. That was changed in Medicare. Rather than just looking at Medicare and saying, okay, we are going to raise taxes on the people and throw more money at Medicare, we looked at how the same dollars could be spent in a better manner. That is very, very different than the people that were here in control in the past. It is a very different model for solving solutions as we go forward.

The other dramatic change in Medicare is, in the past the United States Government in their wisdom said we here in Washington know what is best for all our senior citizens, so we are going to develop this plan called Medicare and our seniors get the plan, like it or not. What has happened in Medicare is that now if our seniors do not like the government-run plan, they have the opportunity to take the same money the government was spending on their behalf in the government plan and use it to purchase private insurance of their choosing. We not only revise the plan to make it much more effective providing preventive care to seniors, we also put what type of insurance and what type of medical coverage they would like back in their hands where it belongs.

I think what it says is really a statement of respect that we have for the senior citizens in the United States. Many of these senior citizens are the same people that fought in World War II, that preserved this country and got it to where it is today, and those people deserve to be treated with that respect.

While I am on Medicare, and it does not directly relate to the changes of last year, there are a lot of nasty rumors going on out there about what has happened in Medicare: that if a citizen, for example, would like a second mammogram in a year, and Medicare says you only can have one that is covered but a citizen would like a second one, there is a lot of rumors going around out there that if a citizen wants to buy additional coverage for some procedure that is not covered under Medicare, that somehow if the doctor provides that coverage and charges the patient, that the doctor is kicked out of the Medicare program for 2 years.

Let me just say definitively that that is absolutely not true. There are a lot of different groups putting this information out. It is absolutely not true.

Let me give this in a specific example. Let us just say someone had a mammogram, and for whatever reason 3 months later they decided they would like a second one. Medicare says I am not going to cover the second mammogram. And the patient says, well, I want it done anyway and I will pay the doctor for doing it, and the doctor says, okay, I will do it. That is perfectly legal. It is permitted. There are no repercussions back against the doctor. The doctor makes that decision to do it if the patient decides they would like to pay for it outside of Medicare.

So specifically on things that are not covered under the Medicare program, if a doctor provides those services, there are absolutely no ramifications back against the doctor. I just mention that as it relates to Medicare because we have heard so many different stories when I have been out there in public.

So I am going back now to the Tax Code change and just a few other details in it. One other one that is very important to me, I had mentioned capital gains before but I did not mention the adoption tax credit. I think this really says something about where we are going as a Nation.

I have got a lot of charts and graphs here, and they talk about numbers, and they are showing lines and different things that happened, but that is not really what this government is about. This government is about people. It is about values. It is about where we are going as a Nation, what kind of a country we are going to have. It is about how much government is going to be involved. I think when we look at that, we need to understand that the government does, in fact, have a heart, and that we understand that there are tough situations out there in a lot of places in this country.

We also should understand that when we changed this Tax Code, we looked at the possibility of adoptions in this country. What we found is that to have an adoption in America it costs roughly $10,000. So if we have got a middle-income family, say they are earning $40,000 or $50,000 a year, and for whatever reason that family finds out they cannot have their own children, $10,000 might have been insurmountable in terms of adopting a child.

So what we did in the Tax Code is we changed the Tax Code. There is now a $5,000 tax credit to assist that middle-income family with the process of adoption and paying the bills that are involved in the adoption.

So this Tax Code change, it is not all about numbers, and it is not all about these charts I have here. There is a large degree of feeling involved in these. And we recognize that things like the $400 per child, leaving that money in the family's home as opposed to having it out here in Washington, it is not just about numbers. It is about people. It is about the impact that this money in the family will have on these families.

Another example on the $400 per child, I was in with a group of people who had many of their children enrolled in parochial schools. I talked to them about the potential of government providing them some sort of tax assistance for parochial schools. And right away, they reacted no, no, no, no, we do not want any government support for our school. Because they are afraid with government support come government rules and regulations that may not match up with what our parochial schools are teaching, my own kids included that go to a parochial school.

So I explained to them how the $400-per-child tax credit allowed them to make the decision on what they were going to use their own $400 for. If they choose to use that $400 to help pay tuition at a parochial school, well, so be it. That is money that would have been sent to Washington that is now in their home, and they can then choose to make the decision to send their kids to a parochial school if they so desire. But it is not Washington telling them what to do with the money, and it is not Washington telling their parochial school what to teach in their school, but, rather, it is now the parents in their own home making the decision as to how to spend their own money.

I would like to wrap up my time here on the floor today with kind of just a brief summary of some of the things we have talked about. We have looked at the past, and we have looked at how in the past we had a series of broken promises to balance the budget.

Before 1994, we had Gramm-Rudman-Hollings, the budget deal of 1990. We looked at how, in 1993, they reached the conclusion on how to solve this problem. Rather than control Washington spending, the conclusion was to reach into the pockets of American citizens. I know for all the people out there, it was not the first time. I know it was part of the 1990 deal. I know it was part of the 1993 deal. But I also know that every time they reached in the pockets and took more money out here to Washington, all it did was allow them to spend more out here in Washington, and that is not what the people wanted.

That path of broken promises of the balanced budget and the path of higher taxes, that is over. It ended in 1994 when the American people stepped up to the plate and said enough is enough, it is going to stop. They put a new group in charge out here in Washington.

We are now 3 years into that new group. The new group has brought us a balanced budget, not in 2002 as promised, but 4 years ahead of schedule. The announcement today, great news, CBO, from the organization that watches budgeting out here: We are, in fact, running a surplus for fiscal year 1998. The first time since 1969, we are going to have a budget surplus.

☐ 1615

Great news. Three years into this thing, we have done it by controlling the growth of Washington spending. We have been effective enough at slowing the growth rate of Washington spending, that we have not only gotten to a balanced budget 4 years ahead of schedule, we have been able to provide the American people with a tax cut.

When I say ''we provide,'' shoot, it is the American people that earn that money. All we are doing out here in Washington is saying keep more of your own money. It is yours to start with, just do not send it out here to Washington. The present, the present has a balanced budget for the first time since 1969; The present, the present is lower taxes for the first time in 16 years; the present, the present is a restored Medicare, and done the right way, with feeling and understanding for our senior citizens.

The future. As we look forward to this, we have 3 major problems remaining. The first is we still have a $5.5 trillion debt staring us in the face; the second is the Social Security money that needs to be put aside for Social Security; and the third is taxes are still too high.

So as we look down the road to the future in this great nation, the National Debt Repayment Act which we have introduced in our office, bill number H.R. 2191, takes two-thirds of any surpluses that develop and it uses it to pay off the debt. Prioritizing, repayment to the Social Security Trust Fund for our senior citizens.

The good news under this bill is that by the year 2026, and maybe sooner, we will have repaid the entire Federal debt that will restore the Social Security trust fund for our senior citizens and it will allow us as a generation to pass this country on to our children debt-free.

I can think of no higher goal that we might have in this government today than to work to a point where we repay the Federal debt so our children can inherit a Nation that is absolutely debt-free. In doing so, we also restore the Social Security trust fund for our seniors.

The other one-third of the surpluses that are developing, let us use those to lower taxes, and let us set our vision for the future that we get the tax rate from 37 back to 25 percent. Would it not be great if one-third of all taxes paid by all Americans at every level of government was reduced, and those American citizens could keep it in their own pocket to decide what they would like to do with it, whether it be to help their children, whether it be to put their kids through college, whether it be to provide their kids with a private school, if that is what they would like to do, if they in their own wisdom think that is better for their children. But the bottom line is to leave that money in the hands of the people that earned it in the first place.

Would that not be a great vision for America? Paid off debts, so our children get a debt-free nation; a restored Social Security trust fund for our senior citizens; and lower taxes, a one-third reduction in the overall tax rate all across America?

Lest anybody think we cannot do it, I just remind the American people of what was said in 1995 when we were first elected. They said you cannot balance the budget and lower tax. Here we are, three years into it, four years ahead of schedule, with the budget balanced, taxes coming down and Medicare restored. It can be done, if it is the will of the people, and if the people get actively involved in making sure that this government does what they want this government to do.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 5 p.m.

Accordingly (at 4 o'clock and 17 minutes p.m.), the House stood in recess until approximately 5 p.m.

☐ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. LATHAM) at 5 p.m.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Sherman Williams, one of his secretaries.

HOMELESS HOUSING PROGRAMS CONSOLIDATION AND FLEXIBILITY ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 217, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. LAZIO) that the House suspend the rules and pass the bill, H.R. 217, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were— yeas 386, nays 23, not voting 21, as follows:

[Roll No. 26]

YEAS—386

Abercrombie	Allen	Armey
Ackerman	Andrews	Bachus
Aderholt	Archer	Baesler